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FORM D

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UNITED STATES
S AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM D

NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR
SHOODM LIMITED OFFERING EXEMPT

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OMB APPROVAL							
OMB Number:	3235-0076						
Expires:							
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DATE RECEIVED						
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185 S UNIFORM LIMITED OFFERING EXEM	IPTION
Name of Offering Check if this is an amendment and name has changed, and indicate change.)	
Isolation Network, Inc. Series B Offering	
Filing Under (Check box(es) that apply): Rule 504 🔽 Rule 505 🗌 Rule 506 🛂 Section 4(6) ULOE
Type of Filing: Amendment	
A. BASIC IDENTIFICATION DATA	
1. Enter the information requested about the issuer	
Name of Issuer (check if this is an amendment and name has changed, and indicate change.)	
Isolation Network, Inc.	
Address of Executive Offices (Number and Street, City, State, Zip Code)	Telephone Number (Including Area Code)
539 Bryant Street, Suite 400 San Francisco, CA 94107	415.896.2100
Address of Principal Business Operations (Number and Street, City, State, Zip Code) (if different from Executive Offices)	Telephone Number (Including Area Code)
Brief Description of Business	
Isolation Network, Inc., is the owner of INgrooves, an independent digital music and technology	plogy company. PROCESSED
Type of Business Organization	(please specify): MAY 0 1 2007
	g
business trust limited partnership, to be formed	THOMSON
Month Year	
Actual or Estimated Date of Incorporation or Organization: [0]4 [0]3 Actual Est Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for Sta	
CN for Canada; FN for other foreign jurisdiction)	

GENERAL INSTRUCTIONS

Federal

Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6)

When To File: A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.

Where To File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

Information Required: A new filing must contain all information requested. Amendments need only report the name of the issuer and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.

Filing Fee: There is no federal filing fee.

State:

This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix to the notice constitutes a part of this notice and must be completed.

- ATTENTION -

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predictated on the filing of a federal notice.

A. BASIC IDENTIFICATION DATA Enter the information requested for the following: Each promoter of the issuer, if the issuer has been organized within the past five years; Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer. Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and Each general and managing partner of partnership issuers. Check Box(es) that Apply: ☐ Promoter Executive Officer Director Beneficial Owner General and/or Managing Partner Full Name (Last name first, if individual) McDaniels, Robb Business or Residence Address (Number and Street, City, State, Zip Code) 539 Bryant St, Suite 400 San Francisco, CA 94107 Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer General and/or Managing Partner Full Name (Last name first, if individual) Hiles, Adam Business or Residence Address (Number and Street, City, State, Zip Code) 539 Bryant St, Suite 400 San Francisco, CA 94107 Check Box(es) that Apply: Promoter ☐ Beneficial Owner ☑ Executive Officer Director General and/or Managing Partner Full Name (Last name first, if individual) Burns, Matthew Business or Residence Address (Number and Street, City, State, Zip Code) 539 Bryant St, Suite 400 San Francisco, CA 94107 Check Box(es) that Apply: Promoter ☐ Beneficial Owner ☐ Executive Officer 7 Director General and/or Managing Partner Full Name (Last name first, if individual) Teller, Al Business or Residence Address (Number and Street, City, State, Zip Code) 539 Bryant St, Suite 400 San Francisco, CA 94107 Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer General and/or Director Managing Partner Full Name (Last name first, if individual) Roscoe, David Business or Residence Address (Number and Street, City, State, Zip Code) 539 Bryant St, Suite 400 San Francisco, CA 94107 Check Box(cs) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner Full Name (Last name first, if individual) Hootnick, Larry Business or Residence Address (Number and Street, City, State, Zip Code) 539 Bryant St, Suite 400 San Francisco, CA 94107 Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer General and/or Director Managing Partner Full Name (Last name first, if individual) Morrissey, Peter Business or Residence Address (Number and Street, City, State, Zip Code) 539 Bryant St, Suite 400 San Francisco, CA 94107

A. BASIC IDENTIFICATION DATA Enter the information requested for the following: Each promoter of the issuer, if the issuer has been organized within the past five years; Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer. Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and Each general and managing partner of partnership issuers. Check Box(es) that Apply: ☐ Promoter ☐ Director General and/or Managing Partner Full Name (Last name first, if individual) Acuity Ventures III, LP Business or Residence Address (Number and Street, City, State, Zip Code) 600 Hansen Way Palo Alto, CA 94304 Beneficial Owner Executive Officer Check Box(es) that Apply: Promoter Director General and/or Managing Partner Full Name (Last name first, if individual) Business or Residence Address (Number and Street, City, State, Zip Code) Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer General and/or Director Managing Partner Full Name (Last name first, if individual) Business or Residence Address (Number and Street, City, State, Zip Code) Promoter Check Box(es) that Apply: Beneficial Owner Executive Officer General and/or Director Managing Partner Full Name (Last name first, if individual) Business or Residence Address (Number and Street, City, State, Zip Code) Check Box(es) that Apply: General and/or Promoter Beneficial Owner Executive Officer Director Managing Partner Full Name (Last name first, if individual) Business or Residence Address (Number and Street, City, State, Zip Code) Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner Full Name (Last name first, if individual) Business or Residence Address (Number and Street, City, State, Zip Code) Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer General and/or ☐ Director Managing Partner Full Name (Last name first, if individual) Business or Residence Address (Number and Street, City, State, Zip Code)

					B, I?	FORMATI	ON ABOU	T OFFERI	NG				
1.	Has the	issuer sold	l, or does th			ll, to non-a Appendix,				_		Yes	No 🗭
2.	What is	the minim	um investm	ent that w	ill be acce	pted from a	ny individ	ual?		***************************************		\$	00.00
3.	Does the	e offering]	permit joint	ownershi	p of a sing	le unit?	****************					Yes R	No
4.	commis If a pers or states	sion or sim on to be lis s, list the na	ilar remune ted is an ass	ration for s ociated pe roker or de	solicitation rson or age aler. If mo	of purchase int of a brok ore than five	ers in conne er or deale e (5) person	ection with r registered as to be list	sales of sec I with the S ed are asso	curities in t EC and/or	irectly, any he offering. with a state ons of such		
Ful	l Name (l	Last name	first, if indi	vidual)									
Bu	sin ess or	Residence	Address (N	umber and	i Street, Ci	ty, State, Z	ip Code)						
Na	me of Ass	sociated Br	oker or Dea	aler									
Sta	tes in Wh	ich Person	Listed Has	Solicited	or Intends	to Solicit	Purchasers						
	(Check	"All States	or check	individual	States)	*******************	*************	***		*****************		☐ AI	States
	AL IL MT RI	AK IN NE SC	IA NV SD	AR KS NH TN	CA KY NJ TX	CO LA NM UT	CT ME NY VT	DE MD NC VA	DC MA ND WA	FL MI OH WV	GA MN OK WI	HI MS OR WY	MO PA PR
Fui	l Name (Last name	first, if indi	vidual)									
Bu	siness or	Residence	Address (N	Number an	d Street, C	city, State, 2	Zip Code)				.		
Na	me of Ass	sociated Br	oker or Dea	aler	_ -								
Sta	tes in Wh	ich Person	Listed Has	Solicited	or Intends	to Solicit	Purchasers				· -		
	(Check	"All States	s" or check	individual	States)	,				***************************************	***************************************	□ VI	l States
	AL IL MT RI	AK IN NE SC	IA NV SD	AR KS NH TN	CA KY NJ TX	CO LA NM UT	ME NY VT	DE MD NC VA	DC MA ND WA	FL MI OH WV	GA MN OK WI	HI MS OR WY	ID MO PA PR
Ful	l Name (Last name	first, if indi	vidual)									
Bu	siness or	Residence	Address (N	Vumber an	d Street, C	ity, State, 2	Zip Code)						
Na	me of As	sociated Br	oker or De	alcr				,					
Sta	tes in Wh	ich Person	Listed Has	Solicited	or Intends	to Solicit	Purchasers	-					
	(Check	"All States	s" or check	individual	States)		***************************************		***************************************	***************		☐ Al	l States
	AL IL MT RI	AK IN NE SC	IA NV SD	AR KS NH TN	CA KY NJ TX	CO LA NM UT	CT ME NY VT	DE MD NC VA	DC MA ND WA	FL MI OH WV	GA MN OK WI	HI MS OR WY	MO PA PR

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1.	sold. Enter "0" if the answer is "none" or "zero." If the transaction is an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.			
	Type of Security	Aggregate Offering Price		Amount Already Sold
	Debt	s_1,105,870.00)	\$_1,105,870.00
	Equity			\$
	☐ Common ☑ Preferred			
	Convertible Securities (including warrants)	s	_	s
	Partnership Interests	s	_	\$
	Other (Specify)			
	Total	\$_1,105,870.00	0	\$_1,105,870.00
	Answer also in Appendix, Column 3, if filing under ULOE.			
2.	Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."	:		Aggregate Dollar Amount
		Investors		of Purchases
	Accredited Investors	20		\$ 1,105,870.00
	Non-accredited Investors		-	\$
	Total (for filings under Rule 504 only)		_	s 1,105,870.00
	Answer also in Appendix, Column 4, if filing under ULOE.		_	
3.	If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C — Question 1.			
	Type of Offering	Type of Security		Dollar Amount Sold
	Rule 505	D5		\$ 1,105,870.00
	Regulation A		•	\$
	Rule 504		-	\$
	Total		•	\$ 1,105,870.00
4	a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the insurer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.	:	=	<u> </u>
	Transfer Agent's Fees	F]	s
	Printing and Engraving Costs		_]	\$
	Legal Fees	_	_	\$ 5,000.00
	Accounting Fees	_	_	\$
	Engineering Fees	_	_ 7	\$
	Sales Commissions (specify finders' fees separately)	_	_ 	\$
	Other Expenses (identify)	_	_ 	\$
	Total	_	7	\$ 5,000.00

	C. OFFERING PRICE, NUM	BER OF INVESTORS, EXPENSES AND USE (OF PROCEEDS	
	b. Enter the difference between the aggregate offer and total expenses furnished in response to Part C—proceeds to the issuer."	Question 4.a. This difference is the "adjusted gr	ross	\$
5.	Indicate below the amount of the adjusted gross preeach of the purposes shown. If the amount for an check the box to the left of the estimate. The total o proceeds to the issuer set forth in response to Part	ly purpose is not known, furnish an estimate f the payments listed must equal the adjusted gt	and	
			Payments to Officers, Directors, & Affiliates	Payments to Others
	Salaries and fees		🗀 \$	
	Purchase of real estate		🗆 \$	
	Purchase, rental or leasing and installation of made and equipment		🗀 \$	□\$
	Construction or leasing of plant buildings and fac		_	_
	Acquisition of other businesses (including the valoffering that may be used in exchange for the assissuer pursuant to a merger)	ets or securities of another	· □ \$	*
	Repayment of indebtedness		_	_
	Working capital			
	Other (specify):			
			_ 	S
	Column Totals		\$ 0.00	V \$ 1,100,870.00
	Total Payments Listed (column totals added)		_	,100,870.00
		D. FEDERAL SIGNATURE		
sig	issuer has duly caused this notice to be signed by the nature constitutes an undertaking by the issuer to fu information furnished by the issuer to any non-acc	rnish to the U.S. Securities and Exchange Con	nmission, upon writt	
lss	uer (Print or Type)	Signature	Date	
	plation Network, Inc.	100	4/12/2007	
Na	me of Signer (Print or Type)	Title of Signer (Print or Type)		
Rot	bb McDaniels	CEO		

- ATTENTION -

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

E. STATE SIGNATURE		
Is any party described in 17 CFR 230.262 presently subject to any of the disqualification provisions of such rule?	Yes	No 🗷

See Appendix, Column 5, for state response.

- 2. The undersigned issuer hereby undertakes to furnish to any state administrator of any state in which this notice is filed a notice on Form D (17 CFR 239.500) at such times as required by state law.
- 3. The undersigned issuer hereby undertakes to furnish to the state administrators, upon written request, information furnished by the issuer to offerees.
- 4. The undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform limited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the availability of this exemption has the burden of establishing that these conditions have been satisfied.

The issuer has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

Issuer (Print or Type)	Signature	Date
Isolation Network, Inc.		4/12/2007
Name (Print or Type)	Title (Print or Type)	
Robb McDaniels	CEO	

Instruction:

Print the name and title of the signing representative under his signature for the state portion of this form. One copy of every notice on Form D must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

L	APPENDIX										
1		to sell	3 Type of security and aggregate				5 Disqualification under State ULOE (if yes, attach				
	to non-a	ccredited s in State -Item 1)	offering price offered in state (Part C-Item 1)		Type of investor and amount purchased in State (Part C-Item 2)						
State	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No		
AL											
AK					_						
AZ											
AR											
CA		X	BPref\$866,295.00	10	\$866,295.00	0	\$0.00				
СО											
СТ		X	B Pref\$100,252.00	1	\$100,252.00	0	\$0.00		X		
DE											
DC						_					
FL				<u> </u>							
GA											
ні											
ID											
IL											
IN											
IA		X	B Pref \$25,063.00	1	\$25,063.00	0	\$0.00		X		
KS											
KY							_				
LA											
ME											
MD											
MA											
MI											
MN											
MS											

1 3 Disqualification Type of security under State ULOE Intend to sell and aggregate (if yes, attach to non-accredited offering price Type of investor and explanation of offered in state investors in State amount purchased in State waiver granted) (Part C-Item 2) (Part E-Item 1) (Part B-Item 1) (Part C-Item 1) Number of Number of Non-Accredited Accredited State Investors Investors Yes No Yes No Amount Amount MQ MT NE B Pref \$50,126.00 ΝV 1 \$50,126.00 0 \$0.00 NH NJ B Pref \$14,120.00 \$14,120.00 0 \$0.00 NM B Pref \$ 50,014.00 \$0.00 NY \$50,014.00 NC ND OH oĸ OR PA RI SC SD TN TXUT VT ٧A WA WVWI

APPENDIX

				APP	ENDIX				
1		2	3 Type of security		4				
	to non-a	to sell accredited is in State i-Item 1)	and aggregate offering price offered in state (Part C-Item 1)		Type of investor and amount purchased in State (Part C-Item 2)				ate ULOE, attach ation of granted) -Item 1)
State	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
WY									
PR							_		

